ORIGINAL TAPED TRANSCRIPTION OF AFFORDABLE HOUSING TASK FORCE COMMUNITY MEETING SEPTEMBER 7, 2006 1.3 ATKINSON-BAKER, INC. COURT REPORTERS www.depo.com 800-288-3376 Transcribed by: Vilia Roubinek, Transcriptionist FILE NO: A008033

MR. SANTOS KREIMANN: I guess maybe we should talk about cell phones first, right? If you -- I'd appreciate it, really, if you all would turn your cell phones off and if you absolutely need to answer it, if you could just take it outside, that would be -- that would be great.

Another housekeeping issue is that if anyone needs to use the restrooms, the restrooms are right through these doors to the left. They're straight through -- straight through to the right.

My name is Santos Kreimann and I work for the Chief Administrative Office of the County of Los Angeles and today we're here to discuss the affordable housing policy, the draft Affordable Housing Policy that the Board of Supervisors considered, I believe it was in -- sometime in August, I believe. So we're gonna go ahead and get started.

Another item is we would like to make sure that every single one of you has an opportunity to speak tonight. We have some speaker cards over here that we would like for you to fill out so that we can keep track of everyone and when the comments — for the comments.

So those are little housekeeping items and we're planning on going from, I believe, this committee forum is scheduled from five o'clock to eight o'clock.

This is sort of the agenda that we thought we would following: the first thing that we're going to do is my welcome to you all and I appreciate you all being here. That's a very important issue for the County and for the community at large. We know that there are differing views on both sides of the aisle and we want to make sure that we hear everything that you need or everything that you feel is important to include it in the policy, the revised policy. We'll do our best to take your input and incorporate that in our next Board letter, or I'm sorry, Board Memo, to the Board of Supervisors. But we'd like to try to do is put together some options for the Board to consider based on the public testimony that we're taking here today.

We're going to go ahead and review the draft policy that has been developed and then we're going to right into the public input session. And then, of course, we'll conclude the forum right after that.

So let me introduce to you the charge by the Board of Supervisors to go back and review the existing policy that was here, that was done in April of 2002, I believe. And they charged us with reviewing it and making recommendations to it that would make -- ensure that we comply with the Mello [phonetic] Act requirements. There was some concern that we didn't do

1 | that first time around, so we get another crack at it.

The members of the task force are each one of the Department heads that are listed here:

The Chief Administrative Office is represented by Mr. Janson, [phonetic] my boss and myself. I'm the staff person on the task force.

Department of Beaches and Harbors is represented by Mr. Woznezki [phonetic] and Charlotte Miyamoto [phonetic].

The Community Development Commission is represented by Mr. Jackson, the Executive Director of the Community Development Commission and Mr. Blair Babcock.

Office of County Counsel is represented by two attorneys, Tom Farnen and Larry Heifetz.

And the Department of Regional Planning, and of course, their boss, Mr. Fortner, is a member of the task force as well. The Department of Regional Planning is represented by the interim director, Mr. Hartell, by Russ Frencano who is the planner in charge of the Marina. I believe that's correct.

MALE VOICE FROM STAGE: Marina cases, Marina cases --

MR. KREIMANN: Marina cases, yes.

SAME MALE VOICE: Marina liaison.

MR. KREIMANN: And Julie Moore. So let's get

right to the presentation. We're going to go ahead and review the policy that was developed as part of the task force. There's a few basic requirements that we looked at when we were developing the draft policy. The basic requirements for the Mello [phonetic] Act are first, that converted or demolished residential units that are occupied by very low- or moderate-income persons or families must be replaced.

The second item is that all new residential projects must provide inclusionary housing units affordable to low- or moderate-income persons or families where feasible.

The last item on the chart here is that local governments can only approve demolition or conversion of residential structures to commercial uses that are not coast-dependent if they first find that a residential use is no longer feasible at that location.

So those were the items that the task force was charged to look at review and developing a revised policy for the Board's consideration.

Now, as we look forward, there was a tremendous amount of discussion about what our goals were in the development of the policy. So we came up with four goals and they're listed here on the board.

The first and foremost Board directive was for

whatever policy we developed, we had to comply with the Mello [phonetic] Act requirements. That was the first directive that we got from the Board. The other was to preserve existing affordable housing supplies which we call "replacement units" and support the creation of new affordable housing units which is termed the "inclusionary units" and with all that being said, the biggest issue that we had a lot of discussion about is how was the County going to balance the Mello [phonetic] Act requirement with the County's ability to continue to generate revenues that are [inaudible word] benefit programs. So that was a major issue that we had a lot of discussion on, as well as the other issues, as well.

[Inaudible audience question]

Okay, the draft policy -- just in a nutshell -we looked at the replacement housing units. We believe
that, according to the Mellow [phonetic] Act, we needed
to set aside replacement housing units for low- or
moderate-income families based on the results of an
income survey that's administered by the Community
Development Commission. Inclusionary housing units -- we
developed a formula that would calculate the affordable
housing units based on the net new incremental units to
be constructed with the County goal of five percent very
low- or ten percent low-income units set aside as

affordable housing.

MEMBER OF AUDIENCE: Is that in addition to the replacement housing units? Or not?

MR. KREIMANN: It's -- the inclusionary is an addition.

MEMBER OF AUDIENCE: In addition to --

MR. KREIMANN: That's correct. And, of course, that's all based on a feasibility analysis and we believe that a case-by-case basis is the way for -- is the most feasible way, or streamlined way to go.

MEMBER OF AUDIENCE: [Inaudible question]

MR. KREIMANN: Sure, I'll go through the -- how about if I go through the presentation and then I'll go back, you know, then I'll ask some questions. I'm not the only one that's going to be asking -- answering any questions. Any questions that you may have -- we'll be more than happy to clarify anything with respect to the affordable housing policy that's been developed, the draft policy. But I don't want to do, though, is, I don't want to engage in one-on-one discussions about the merits of any proposals that you all have and the merits of the proposals that we have. We're interested in receiving your input and discussing what it is that you all believe needs to be included in this policy.

Okay, so we're here to clarify the policy, the

draft policy as it's been proposed for the Board of Supervisors. Okay? The other --

MEMBER OF AUDIENCE: Excuse me --

MR. KREIMANN: Yes.

MEMBER OF AUDIENCE: And why does it -- you're going to assess the draft policy and all we're going to do is talk it out -- your policy and the staff -- and we're not going to be able to have input into what [inaudible words].

MR. KREIMANN: No. That's not what I said.

What I said is the exact opposite, which is I'd like to go through the policy, use that as the starting off point, the draft policy, and then we'd like to see, receive your input on what you all believe needs to be included in the new revised policy. So what we're looking to do is to develop options for the Board of Supervisors to consider as opposed to just seeing one policy and saying, voting up or down on that.

The affordable housing, we believe, a thirtyyear covenant is appropriate and the one big difference
between this draft policy and the original draft,
original policy is that there is no end off fee program
attached to this one.

So let's go on to the next slide. We'll talk about the income survey.

1 [Inaudible sentence by male voice]

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MR. KREIMANN: It's all right. Just for those of you that have walked in, we have some speaker cards over here. If you just fill them out and then we'll come around the room and pick them up for you all, from you all.

Let's talk about the income survey. The income survey is what is used as the tool that's used to determine the number of replacement housing units that each project is required to construct as part of the Mello [phonetic] Act. The income survey is to be completed by each family and individual occupant of an existing complex. The income information from individual occupants named on the lease and their family members or domestic partners will be used exclusively to determine replacement housing eligibility.

The Community Development Commission is charged with confirming the household income levels and to identify the number of [inaudible:...-ments] eligible for replacement. The next --

MEMBER OF AUDIENCE: [Inaudible]

MR. KREIMANN: It's unaffordable housing, yes, you can -- affordable housing, yes. We're not going to limit it to seniors, though.

MEMBER OF AUDIENCE: [Inaudible]

MR. KREIMANN: We won't limit it to seniors.

It's just affordable housing. Come on in. Welcome.

Okay. Now the income survey has the number of components that needed to be evaluated. As the task force got together and started discussing these items, we needed to figure out how to handle certain individuals that are housed in the complexes. So we did our best and we've identified certain categories or individuals and applied that needed to be applied [inaudible word], the number of replacement housing units required.

So the first item was how do we treat
management employees and it was our thought that
management employees are ineligible for replacement
housing. Students claimed on parents' income taxes, the
student is another population that we needed to pay
special attention to and we decided that students claimed
on parents' income taxes or whose parents are guarantors
on the rental lease agreement must include the parental
household income as part of the survey. Any vacant unit
at the time of term sheet [?] negotiations is deemed to
be a market rate unit.

The next slide is a continuation of that, of the special groups. The developer must demonstrate that any tenant eviction one year prior to commencement of term sheet negotiation was for cause. As opposed trying

to circumvent the Mellon [phonetic] Act requirements.

tenants returning incomplete income surveys. So we needed a way to evaluate an individual that is occupying a unit but fails to provide the income information in the income surveys or just fails to submit an income survey altogether. And what we've decided is sort of a two-fold approach. We believe that the best way, best approach was to look at the information contained in the lessor's financial records. If the information was two years or was within two years of the application, we would use that information as the financial information for that individual or there would be a test based on the monthly rental rates, the average monthly rental rates.

The next key category was how do we treat unmarried or unrelated tenants wishing to be treated as separate individuals. We decided that they must declare under penalty of perjury that they are number one: they are not registered domestic partners, neither party receives employment benefits from the other, they do not share a bank account and they do not own real property together. So if one household has two individuals and they want to be treated separately, they could certainly submit separate income surveys for each one, but they had to meet this particular test.

Inclusionary housing -- this -- to get back to your question, the inclusionary housing [inaudible word] that posts separately from a [inaudible word] place that housing obligation. So there are two separate obligations. Inclusionary housing needs to be dispersed throughout the rental unit component of the project. It needs to be sized and designed to be comparable to market rate units and it's based on the net new incremental units to be constructed. And what means is that you have a developer who submits an application to build a five-hundred unit complex and there is two hundred existing unit complexes, or two hundred units already existing and he demolishes the two hundred.

The inclusionary housing would be calculated based off of the three hundred net new incremental units and the two hundred would be taken care of in terms of affordable housing based on the income surveys and the replacement housing obligation.

MEMBER OF AUDIENCE: [Inaudible question]

MR. KREIMANN: Sure. The inclusionary housing calculation is based on what we term the "net new incremental units" and what the net new incremental units is, is if an application submits an application -- if a developer submits an application to build a five-hundred unit complex, and there's two hundred existing units that

are going to be demolished as part of the development,
then the inclusionary housing is based off, calculated
off the three hundred units, as opposed to the five
hundred units because the two hundred units is being
taken care of in terms of how the replacement housing is
calculated.

MEMBER OF AUDIENCE: [Inaudible question]

MR. KREIMANN: It's being calculated based off

-- the replacement housing is based off the income

survey. So that --

MEMBERS OF AUDIENCE: [Inaudible question]

MR. KREIMANN: Well, why don't -- I'll clarify

it for you, but let me just answer your question. Then I

won't from there take any more question.

The net new incremental unit is based off the
- if the developer has five hundred units that he wants

to develop, and there are two hundred units that are

already on the site and are going to be demolished, the

net new incremental is based off the three hundred new

units that are being constructed. Okay, no more

questions. Let me get through --

MEMBER OF AUDIENCE: I just have a comment. It seems to me if you do [inaudible word] on that property [inaudible word], you'll discover that residential was not the priority for that property. [Inaudible words]

MR. KREIMANN: Well, I'm not taking any more questions. So let me just get through the -- let me get through the presentation and then when you have the opportunity to come up to the stage, you can ask that question or you can make a comment on that. So that's the way we'd like to treat that. Okay?

And, of course, I already spoke to the inclusionary housing that the County goal is to set aside five percent of the new units for very low-income households or ten percent for low-income households, subject to a feasibility analysis.

Feasibility analysis: there's a few tests that we believe needs to be addressed. First question that needs to be answered is: can a project be successfully completed within a reasonable period of time, taking into account economic, environmental, social and technical factors. That is specific language that is contained in the Mello [phonetic] Act. The other issue that needs to be addressed is what impact will density bonuses or other incentives and potential economic aids such as tax credits, ARM financing, grants and rents concessions have on making on-site housing feasible.

The final item is what is the return to the developer. The County is very interested in that and has an index that is applied to determine whether or not

something is feasible in terms of the return to the developer. So --

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MEMBER OF AUDIENCE: [Inaudible]

MR. KREIMANN: Sure. I believe the second one also is there and the return of the developer is not there specifically in terms -- it's an economic factor, so yes, it is included. The task of the task force was to develop some way of measuring that and -- in order to determine whether or not the project is feasible or infeasible from an economic perspective.

So, project infeasibility: the developer has the burden of proof with respect to project and feasibility. The Directors of Regional Planning, Beaches and Harbors, and the Community Development Commission must jointly concur with the developer's findings of project infeasibility. If on-site affordable housing is deemed infeasible, the Mello [phonetic] Act requirements must be met off-site.

So, let's talk a little bit about if the project is deemed infeasible, where would the off-site replacement housing be required to be constructed. The County came up with that replacement housing can be provided on-site or within the coastal zone if feasible. If not feasible on-site or within the coastal zone, then it can be provided within three miles of the coastal zone

with priority given to the unincorporated areas of Los Angeles County. So this has to do with the replacement housing obligation.

off-site construction of inclusionary housing is slightly different. The priority order is that it, in the coastal zone within the unincorporated territory of Los Angeles, the inclusionary housing — this is if the project is deemed infeasible, then the inclusionary housing must be constructed first: in the coastal zone within the unincorporated territory of LA County; second: within the three miles of the coastal zone in the unincorporated territory of LA County; third: in the coastal zone within in the incorporated territory of LA County; and finally, within three miles of the coastal zone in the incorporated territory of LA County.

And so what we wanted to do was make sure that the County's unincorporated areas were given priority in terms of construction of the inclusionary housing units. We believe that that was important because of the State's insistence now on making sure that we county every, single affordable housing unit that's constructed in the unincorporated areas.

Nonresidential conversions: proposals to demolish or convert residential structures for commercial uses that are not coast-dependent will be evaluated. No

project will be approved unless the County determines that a residential use is no longer feasible at the proposed location. So, we have to make certain findings before we can convert from a residential use to a commercial use.

So additional provisions that were included in the draft policy include that the applicant must submit an affordable housing plan to the County prior to issuance of building permits. The applicant shall report a thirty-year covenant guaranteeing affordable income and rent requirements. The certificate of occupancy for new market rate units will be withheld until off-site affordable housing units are completed and available for occupancy. Off-site affordable housing units must be comp --

MEMBER OF AUDIENCE: [Inaudible]

MR. KREIMANN: Okay. The certificate of occupancy for new market rate units will be withheld until off-site affordable housing units are completed and available for occupancy. So we included that in there so that we made sure the developer was responsible for making sure that the affordable housing that's constructed off-site is completed, is constructed and completed prior to them receiving their certificate of occupancy for their new development.

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And lastly, the off-site affordable housing units must be completed no later than three years from issuance of a building permit for the new development.

Some additional provisions of the policy: the applicant proposing to develop a project with rental and ownership units may provide all replacement inclusionary housing in the rental component of this project. applicant proposing to develop a hundred percent ownership project may provide rental units on-site to fulfill the replacement inclusionary obligation. Community Development Commission will charge an annual fee per affordable housing unit for monitoring the affordable housing covenant.

So let's talk a little about how the rest of the meeting is going to shake out, or at least the one we have envisioned. We'd like for anyone that would like to speak to fill out the public speaker card and they'll be on the table over here. And if you can be kind enough to just hold them with you and I or someone here will walk around and pick up the cards from you all.

> MEMBER OF AUDIENCE: We already have some.

MR. KREIMANN: We have some, but if you have not filled one out, go ahead and fill it out, hold it, and we'll we walking around the room and we'll take them as they come in. We've allocated three minutes for each one of you all to speak tonight on the draft policy and to give us your views on what you believe needs to be included. Any comments or input is greatly appreciated. Like I said before, the members of the task force are here to clarify any provisions of the draft policy. The community forum is going to be audiotaped, so I would appreciate it if you all spoke clearly into the microphone, say your name, tell me where you live, or say or name, spell your last name, which would be helpful, and give us your — what company you're representing or if you're representing yourself. And then you can begin speaking.

Once we receive your input, the plan is to gather all the comments, collate them, and make a presentation to the Board of Supervisors to consider different options that will come out of this particular forum. Now, the one thing that I would really like to stress is that I know that there are differing views about this particular policy, but I would -- I would really appreciate it if everyone gives the individual speaking the courtesy of listening, no remarks until they're finished and then you will have an opportunity to speak on this particular policy. So if you can just maintain some decorum, I would greatly appreciate it. Yes?

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MEMBER OF AUDIENCE: [Inaudible]

MR. KREIMANN: No, no, no. What I said was

MR. KREIMANN: The Board will decide on what

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that we're going to receive your comments, then the task force is going to go through your comments. We're going

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we'll present a report to the Board of Supervisors with

to develop different options based on your input and then

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several options.

environmental document.

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MEMBER OF AUDIENCE: [Inaudible]

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needs to be done. Generally, what's going to happen is

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once the Board says this is the policy that we like,

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these are the components, we would be charged -- my

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office, actually, would be charged with developing an

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MEMBER OF AUDIENCE: [Inaudible]

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MR. KREIMANN: Correct?

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point about the comments. The task force will also be,

MALE VOICE FROM STAGE: I just want to make one

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of course, accepting any written comments that are the

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same as tonight, or different, or whatever. And we'll --

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that will be part of the package, too, that we will be

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collating and looking through for purposes of reporting

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to the Board. So written comments can be received as

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well.

MEMBER OF AUDIENCE: [Inaudible]

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MALE VOICE FROM STAGE: I have --

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MR. KREIMANN: You're going to have an

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opportunity to talk about -- this is your opportunity to

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provide the input for the preparation of the Board

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reports.

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MEMBER OF AUDIENCE: [Inaudible]

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MR. KREIMANN: Hold on, let me finish, and then

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So, we're going to get, receive your I'll get to you.

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comments which we as staff are going to prepare a Board

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report based on your input and present it to the Board.

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The Board -- you always have the opportunity to go before

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the Board of Supervisors at that point in time and talk

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about the revised, revised draft policy.

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FEMALE MEMBER OF AUDIENCE: [Inaudible at

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first, then became louder:] ...two weeks -- so many... and there's so many people in this community... and they

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haven't got the option... to help people understand

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basically the layout of your policy... and clarified the

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difference in your policies... explain it out in simple

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terms and... fine with it. We're not in a big rush.

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MR. KREIMANN: Understood. We're going to have speaker time.

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DIFFERENT FEMALE MEMBER OF AUDIENCE: Listen...

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MR. KREIMANN: We're going to have speaker

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time.

you have to hear this now. [Inaudible] ... as much as I can. But we didn't have any time to do this, to give input. We had very little time to do this. Second of all, nobody I spoke to knew there was such a task force. Any of you guys here... [inaudible and other voices].

MR. KREIMANN: Excuse me.

SAME FEMALE MEMBER OF AUDIENCE: And the third thing, excuse me, you can't stop me now. The third thing that [inaudible] here, is that there are vast numbers of people who are going to lose their apartment and nobody knows there's such a task force and [inaudible]. You need to give the community the time to notice. You need to give the community the kind of understanding that they can understand. Not lawyer flim-flam. You need to come into the community and you need to pass [inaudible].

MALE VOICE OF AUDIENCE: Hear, hear.

[Applause]

MR. KREIMANN: Can I -- let me just answer.

FEMALE MEMBER OF AUDIENCE: [Inaudible]

MR. KREIMANN: I'll get to you -- what I would really like to do is get into the public input section.

I think that's very important. What we're here to do is to collect as much information as we possibly can from the individuals that are interested. Now, we have, I

believe, provided notice to the community and this is reflective of the amount of individuals that are in this room. Now --

FEMALE MEMBER OF AUDIENCE: No, it's not.

MR. KREIMANN: Hold on, hold on.

FEMALE MEMBER OF AUDIENCE: No, it's not.

MR. KREIMANN: Okay, well, we have a lot of people in the room that have a lot of ideas and that -- I -- we would like to hear them as the task force. We're charged with preparing a report for the Board of Supervisors. We appreciate the public's input into this process. We're going to do our best to reflect that in our report. We definitely have deadlines that we need to meet as the task force, so we -- we do have a deadline. So, and I'm charged with making sure that we meet those particular deadlines.

more public input [inaudible] time for public input.

This is a sneak attack. This is a sneak attack. You all called this meeting without letting the people know.

They need to know to go [inaudible] so they can find out you exist.

MR. KREIMANN: As I mentioned, the task force would welcome written comments as well as the testimony tonight.

 $\label{eq:female_member_of_audience:} \textbf{FEMALE MEMBER OF AUDIENCE:} \quad \textbf{There is no time} \\ \text{for it.}$

ANOTHER FEMALE MEMBER OF AUDIENCE: [Inaudible] ... yesterday.

MORE FEMALE VOICES: [Talking over each other.]
...we want to hear from the supervisors... you to tell
us... we want you to go into the community and tell them
what your f** plan is.

MR. KREIMANN: Okay, let's -- thank you for your comment and I think what we'd like to do, what we'd like to do is we'd like to move on, get the input from the various stakeholders, the community, and I believe that would be the best use of our time at this particular point in time. Now, as a task force, what I can commit to you is that we will thoughtfully take into consideration everything that's being said today. It will be reflected to a large extent in the report that's going to the Board of Supervisors. Now we're charged -- you need to appreciate our side. You know, we're the staff people to the Board of Supervisors and we're trying to develop a policy that not everyone is going to like, okay. Because there's competing interests in this particular room and so --

FEMALE MEMBER OF AUDIENCE: [Inaudible]

MR. KREIMANN: One moment. There's competing

interests in this room and we have to balance those things. And I think that the draft policy was a good start for the debate and for the discussion. Like I heard once, there can be no second guessing until there's a first guess, and that's what we've done.

FEMALE MEMBER OF AUDIENCE: [Inaudible]

MR. KREIMANN: So, let's go ahead and start the public input. There was, I'm sorry, there was one other comment. You had your hand up.

MALE MEMBER OF AUDIENCE: [Inaudible] ...I didn't see any information about who to address the letters to or [inaudible] ...you know, any information that needs to be on there to get it...

MR. KREIMANN: I'll tell you what I'll do -- is before the task force is over, I'm going to go ahead and listen. I have the computer here and what I will do is I will write -- any written correspondence that you need, needs to come to my attention. So I will give you all my phone number, I'll give you my address. I would appreciate written comments. Written comments would be my preference only because I don't want to be accused of having a conversation with somebody and them coming back to me and saying you omitted something that was important to me. So, if you could do me a favor: provide me the written comments. We'll collate them. The comments will

be collated and then presented to the Board of 1 2 Supervisors for consideration. 3 FEMALE MEMBER OF AUDIENCE: [Inaudible] 4 MR. KREIMANN: Sure. My name is Santos 5 S-A-N-T-O-S Kreimann, and that's K-R-E-I-M-A-N-N and I'm 6 with the Chief Administrative Office, 754 Hall of 7 Administration, 500 West Temple Street, Los Angeles, 8 90012 and let me give you my email address. 9 skreimann@cao.lacounty.gov (S-K-R-E-I-M-A-N-N at C-A-O 10 at). Last question, then we're going to go to the public 11 section. 12 MALE MEMBER OF AUDIENCE: [Inaudible] 13 MR. KREIMANN: Two part. 14 MALE MEMBER OF AUDIENCE: [Inaudible] ... can 15 you give a [inaudible] definition of very low-income... 16 MR. KREIMANN: Yes, let me tell you what our 17 deadline is. I have -- and these are all internal 18 deadlines. They're not, you know, anything that the 19 Board of Supervisors have given us. I believe, actually, 20 the Board directive said we had ninety days from 21 August 1st. So we'd like to prepare the revised Board 22 report within that ninety-day time frame. 23 FEMALE MEMBER OF AUDIENCE: You mean your work 24 started in [inaudible].

MR. KREIMANN: I'm not sure about that.

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going to have to discuss that as a task force. I cannot commit to that.

FEMALE MEMBER OF AUDIENCE: [Inaudible] ... a little better so that people in the community know that you exist and that they should write letters?

MR. KREIMANN: Yeah.

FEMALE MEMBER OF AUDIENCE: [Inaudible]

MR. KREIMANN: Hold on. Okay, well first of all, let me just -- let me just say this. This particular meeting was publicized. It was publicized. The draft policy was on the Department of Beaches and Harbors' web page. We have handouts.

FEMALE MEMBER OF AUDIENCE: [Inaudible]

MR. KREIMANN: But it is there. I mean, you can't say that -- okay. Listen, I'm not going to -- I don't want to get into a debate about, you know, what we did wrong. You know, what we could have done better. You know, we can all do better. There's no question about it.

FEMALE MEMBER OF AUDIENCE: Okay, good.

MR. KREIMANN: So, what I'd like to do is I'd like to move forward into the public session. If you all would be courteous enough to allow the speakers to speak, give the input that we are so desperately looking for, I think that would serve best in terms of our time that we

have here. Because we do have a limited amount of time today. Okay. No more questions, let's just get into the public session and if you'd like, you can come up and use your three minutes to talk about whatever it is that you want to talk about. Okay? Does anybody have any --

MR. _____ [from the stage]: Santos, just let me add one more thing. When the report of the task force is ready to go to the Board of Supervisors, we will ensure it is on the Department's website at least two weeks before the Board considers it in public session. We will advertise its availability in The Argonaut so that members of the community here are aware of it. We'll also announce it at the Design Control Board meetings, Small Craft Harbor Commission meetings, and our Beach Commission meetings to get as much as dissemination of that information as we can.

middle of the thing... nobody knew about it? [Inaudible]

MR. WOZNEZKI: If you would like, I'll tell you what. If you would like, you could send to Santos or you can send to me an email address or a post office box, so that we can send you the information on when the Board report will be available.

FEMALE MEMBER OF AUDIENCE: [Inaudible]

MR. WOZNEZKI: No, I said -- ma'am, ma'am, for

anyone in the community, since you are talking to people in the community, spread the word that they can get on a mailing list and I'll be happy to get them the information.

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[Repeated interruptions by audience member]

Ma'am, that's what we're going to do through our public forum at the various commission meetings and The Argonaut.

[Audience members speaking over]

MR. KREIMANN: This is, hopefully, this is the last we heard. We've heard your concern about the lack of notice for this particular meeting. We'll take that into consideration when we -- the revised policy does come out, we will notice it the way Mr. Woznezki mentioned. And the other thing is, is that anybody that has a speaker card, will be sent one directly to their home. So make sure you have your address on there. try very hard to make sure that the community knows that these meetings are happening. And, you know, regardless of what you think about my commitment or, you know, or what errors I made, that's okay. I mean, that's what I'm here for. And that's what I'm asking for. All I'm asking for is a chance to let me fix it and then we'll do our best when we recirculate the revised report to the

Board. And then, let's leave it at that, let's move forward. Everybody okay with moving forward?

AUDIENCE MEMBERS: Yes.

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MR. KREIMANN: Okay, let's move forward. last -- does anybody have anything else to say? No? Okay. So what I'm going to do is I'm going to move the microphone over here. I have a stack of cards here and if Jean [phonetic], can you do me a favor, can you just kind of walk around and collect the rest of the speaker cards? That'd be great. What we'd like to do is make sure that -- we'd like to take all of your statements, all of your concerns. What we want to try to avoid is a debate, actually, about what, you know, our new policy is as opposed to what you think it is. You can certainly tell us what you think about our policy. That's fine. But what I don't want is to digress and, you know, have a lot of -- you didn't think about this, or you didn't think about that, which is fine. We'll do that. we're not going to have a whole lot of discussion because we have to get through all of the speakers tonight. Okay?

MALE SPEAKER FROM STAGE: Do you want to turn that off?

MR. KREIMANN: Okay. Like I said, we went ahead and allocated three minutes to each speaker. I

will be the official timer. So, and I will prod you when you have fifteen seconds left in your presentation.

Okay, so the other -- one last thing is we're going to go ahead and we have the revised policy that was issued to the Board of Supervisors here, so if anybody needs them, we're going to go ahead and pass them out so that you can review them. Again, that policy is on the Department of

Beaches and Harbors web page if you all need to review it

online.

Okay?

And then, one last item is that just to make sure that we're all clear that we're going to make sure that we allow this individual to get the full benefit of their three minutes, and I just would like to make sure that everyone allows them to speak so they can be heard. And we'll move on from there.

Let's see, the first speaker is Mr. David Ewing with the Venice Community Coalition.

MR. DAVID EWING: Hi, my name is David Ewing.

I am a member of the Venice Community Coalition but I am here on my own behalf. We did not get notice of this and I'm sorry this is -- I live at 1234 Preston Way in Venice. I'm sorry this started out so acrimoniously. It is a problem, though, that there has not been outreach.

I am signed up at previous meetings for mailings on other related subjects, have not gotten any. So I think the

County in general seems to be having a problem with this, with responses. And noticing is not outreach, not the same thing. Right?

So, what you have in here is a room full of committed, dedicated people who keep in touch about issues like this. But what you don't have is the renters who is going to be affected by this because they didn't get the word, okay? The people who are here because they've gone out of their way because they care about this issue and they let each other know what's going on. That's not the usual situation.

[Applause]

One of the things that I'd like to bring up is that this seems to be part of a larger plan for what's going on in the Marina. We've had the Marina Freeway extension; we've got the Admiralty Way widening; we hear all, you know, these rumblings about all these plans for increased density and so forth and so on. And replacing some of the recreational facilities and space with additional housing because that's an income generator for the County.

I think that either there should be some effort to present what's going on as part of that larger plan or ask is there a project here, a large project without a plan. And I think it's really important to address that

and to address that to the public because they're already talking about it.

[End of Side A, Tape 1]

[Start of Side B]

MR. DAVID EWING: [Continuing] And so I think that needs to be dealt with head on.

As far as the subject at hand, one thing that I've noticed is that there doesn't seem to be any discussion of displacement. That's a separate question from replacement housing. All the people in places that are going to be torn down have to go somewhere.

FEMALE MEMBER OF AUDIENCE: Exactly.

MR. DAVID EWING: And that means, that means transients, it means additional burdens on public services, and it means lives disrupted. So, I think it is important for you to deal with that question of displacement. It's a growing question of -- with infill [?] development all over the State, particularly in the City of Los Angeles and now here in the County. I think it's also -- it's very important that whatever you're -- whatever you're -- however you fulfill your Mello [phonetic] Act requirement for affordable housing, that there needs to be a solid base number that is not dependent on how many affordable units there are now. In other words, instead of saying five percent or ten

1 percent because they are -- because we figured there are 2 already a certain number of people there who are going to 3 get replacement housing, you need to have a commitment to 4 the real numbers, the ten and twenty percent which the 5 Mello [phonetic] Act requires. And whatever you do with 6 replacement or whatever you call replacement or call 7 inclusionary or whatever else, you've got to make sure that you meet those numbers, because I can -- you can --8 9 MR. KREIMANN: Fifteen seconds --10 MR. DAVID EWING: Huh? 11 MR. KREIMANN: Fifteen seconds. 12 MR. DAVID EWING: Oh, okay. I'm also wondering 13 what are the penalties if the off-site housing is not 14 completed in three years. It's nice to say, that there's 15 a rule saying they have to, but, you know, what's the 16 stick if those aren't provided? 17 And I also think that, depending on lessors to 18 provide financial information on lessees is a real 19 invitation to abuse. That's the kind of thing that gets 20 abused all the time. So --21 MR. KREIMANN: Thank you, Mr. Ewing. 22 [Applause] 23 MR. KREIMANN: Our next speaker is Helen 2.4 Garrit. [phonetic] 25 MS. HELEN GARRIT [phonetic]: See, I told you

guys you're going to [inaudible]. So, you're gonna hear from me. You know, after our victory at the Capri Apartment where we got ten percent low-income, people assumed it was ten percent. It's not ten percent everywhere. We want twenty percent. We want all of those houses to be twenty percent. And there's more. There's a better reason why we need twenty percent. There's a terrible housing shortage in this County. You're going to evict hundreds and hundreds and more hundreds of people from their homes in this County from the Marina. Where're they going to go? There's three percent available housing. You're making people homeless. You, you, you, you're making people homeless and you don't give a darn.

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Now, about your crummy plan. I'm a person who's sick. I got at least four major illnesses. I may very well need someone to take care of me and I have to pay them. Because, God knows, nobody is going to pay them for me. So when I have someone come in and take care of me, they have to live in my house. Are you going to evict me because I have asthma and a heart condition and irritable bowel syndrome? Are you going to evict me when I can't walk? That's a lousy clause. It's a very bad clause.

To begin with, you can't have inclusionary

housing added to replacement housing and come up with a number. They're separate. Inclusionary housing means you don't reduce the number of apartments in the Marina, okay. That's replacement housing. Inclusionary housing means that you're making more affordable housing to take care of the terrific housing crisis. And don't try and play off the people who are sick against the people who are unhoused. The County is responsible for both and they can't take it out of the Marina. We have people here who need to live here in affordable housing and we want them to stay in affordable housing. And I don't want to see any sick people living in apartments and any healthy people living on the street. That's sick thinking. And we won't have it.

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MR. KREIMANN: Fifteen seconds, Ms. Garrit. [phonetic]

MS. HELEN GARRIT [phonetic]: Well, finally, there's going to be two thousand new apartments in the Marina. We want twenty percent of them to be low-income, affordable housing and we do not want you to start putting in moderate-income apartments for people who earn eighty thousand dollars a year. You're going to subsidize those people? They can rent a house any damn place they want. We want low- and very-low income. We want it in the Marina, on-site, right now. And when you

do replacement housing, we want it one-for-one. If it's 1 2 a low-income unit, we want low-income units replaced. We don't want a replacement moderate-income for people who 3 4 earn eighty thousand dollars a year. 5 MR. KREIMANN: Thank you, Ms. Garrit. 6 [phonetic] 7 [Applause] MR. KREIMANN: Okay. Thank you, Ms. Garrit. 8 9 [phonetic] 10 Our next speaker, Mansour Rajimi? [phonetic] 11 MR. MANSOUR RAJIMI: [phonetic] Yes -- the 12 problem is that [inaudible]. 13 MR. KREIMANN: So you don't -- so you don't 14 want to speak. 15 MR. MANSOUR RAJIMI: [phonetic] No [inaudible] 16 I'll write a letter. 17 MR. KREIMANN: You'll write a letter. Okay, 18 look forward to reading it. Our next speaker is Mr. 19 Levine. 20 MR. LEVINE: Good evening, task force members. 21 My name is David Levine. I will be addressing you this 22 evening as the current president of the Marina del Rey 23 Lessees' Association and a representative of the 24 ownership of Del Rey Shores Apartments. 25 Your task force is to be congratulated for

formulating a draft affordable housing policy for Marina del Rey which isn't always compliant with the Mello [phonetic] Act, yet which provides the County of Los Angeles and its lessees in Marina del Rey a flexible framework within which diverse projects can achieve such compliance. Our recent experience with a myriad of Mello [phonetic] Act compliance issues affecting the redevelopment of Del Rey Shores has shown us that the Mello [phonetic] Act is careful to give local jurisdictions wide discretion in complying with affordable housing requirements. As a result, no two jurisdictions in California comply with the Act in the same way. It is important to emphasize that the Mello [phonetic] Act does not prescribe only one means to comply with the Act and yet multiple, unique projects can differ in many critical elements and still all be consistent with the Mello [phonetic] Act.

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This is particularly important with regards to our articulation with an affordable housing policy in Marina del Rey which is owned by the County of Los Angeles. Marina del Rey is the largest income-producing asset owned by the people of the County of Los Angeles, all thirteen million of them. While some existing Marina tenants may wish to keep their rents at relatively low levels, there are many hundreds of thousands of other

County residents who rely on vital County social services, who will benefit from the substantial County revenue that will be generated by redevelopment of the Marina's aging apartment complexes.

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In fact, over fifty percent of the rent generated by the leaseholds by the Marina for the County is transferred to the County's Department of Health Services. So the County has a special, social interest in generating increased revenue from the Marina. It is simply a fact of life that for every two dollars in rent forgone by the County to subsidize individual, affordable units in the Marina, there will be over one dollar of lost revenue denied to support health services for millions of County residents from Long Beach to Lancaster, from Mar Vista to Monrovia.

Moreover, the housing shortage in Los Angeles
County extends above and beyond the availability of units
to low-income individuals and families to all rental
units available at many different levels of
affordability. Therefore, the affordable housing policy
for Marina del Rey must provide the County of Los Angeles
and its lessees with the flexibility to stimulate the
construction of market rate units as well as the
provision of affordable units. Unless investors are
assured of market rate returns, redevelopment of the

Marina will not take place.

Meanwhile the Marina's aging apartment stock will continue to deteriorate without the addition of badly needed market rate apartments or the contribution of affordable housing units. It is therefore encumbent upon all parties within the County family and within the Marina del Rey community to bear in mind the development in the Marina must strike a sensitive balance between often competing interests and values. The social good of providing affordable housing must be weighed against the social cost of subsidizing affordable housing. The disruption new construction causes must be weighed against the improved quality of life the community will enjoy from renovated and new residential and commercial developments in the neighborhood.

The Board of Supervisors has the right, indeed, the responsibility to frame the affordable housing policy in this larger context.

I have some more which I will submit to you in writing. Let me just conclude with this.

We live in a less than perfect world. Perhaps none of us will or can be happy with each and every provision of this policy. But we all have a vested interest in making the policy work in increasing the total housing stock, in providing more affordable

1 housing, in keeping redevelopment projects viable, in 2 realizing the redevelopment envisioned in the Coastal 3 Commission Certified Local Coastal Program, and in 4 generating much needed support for a range of vital 5 County services. We believe the draft achieves that 6 balance. Thank you. 7 Thank you. Can I --MR. KREIMANN: FEMALE MEMBER OF AUDIENCE: [Inaudible] 8 9 MR. KREIMANN: Mr. Levine, if you can just give 10 me the written -- to Mr. Frencano [phonetic] there, I'd 11 appreciate it. 12 Okay, our next speaker is Mr. Ben Beach. 13 [Applause] 14 MR. BEN BEACH: Would somebody raise this? 15 MR. KREIMANN: Let me know when you're ready. 16 MR. BEN BEACH: Okay, thank you. 17 Good afternoon, good evening, task force 18 My name is Ben Beach, Family Legal Aid 19 Foundation of Los Angeles. There's been, as has been 20 noted, there's been substantial amount of discussion 21 about this policy and we've participated in some of that 22 discussion. So, I know that some of you got the benefit 23 of our written submissions. And I'd just like to make a 24 couple of points if I could this evening.

The first is, as I think it's fairly widely

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acknowledged, the County is in the midst of an affordable housing crisis. In that respect, the Marina del Rey territory is quite unique. It's unique in that it prevents -- it presents both an opportunity and a responsibility to address the crisis. It presents an opportunity in the sense that it's county-owned land. it's land that the County is in a position to make a policy decision about how to use. And it presents a responsibility on the County's part in the sense that the Mello [phonetic] Act requires the County to deal with the affordable housing issues in the Marina.

Now, there's some debate over exactly what the nature of the County's responsibility is and I'm going to speak specifically to the inclusionary issue. The State Mello [phonetic] Act said, we believe, we stand for -- let me say that again. We stand for the proposition that the State Mello [phonetic] Act, that the statute that says: if it's feasible to build something, you have to build it, means if it's feasible to build something, you have to build it.

The County's positions thus far in this debate has been: if it's feasible to build something, if the statute says it's feasible to build something, you might have to build it. If you do have to build it, we're going to give you an opportunity to take an automatic

reduction in what you actually do have to build based on a density bonus or based on pre-existing housing.

We think we have the better reading of the statute when those two things are put side-by-side. But let's pretend that in fact the County's position that the inclusionary requirement from a legal standpoint is wide open, that this is a -- we're just, you know -- it's a blank canvas. You can strike whatever policy -- you can set out on whatever policy decision you want in the Marina.

The policy decision that's been put forth thus far is, frankly, about as weak a position as this group could take in terms of insuring that there is an adequate inclusionary provision for the reasons that I've just said. It's an extremely low inclusionary obligation because developers, I think it's fair to say, are likely to opt for the five percent very low, and then they can come back around and say, well we have the further reduction based on the density bonus, and by the way, we have a further reduction based on the fact that we had pre-existing housing on this site.

Let's compare that just with a few steps down the road in Venice where developers are, in fact, complying with a ten percent very low or twenty percent low requirement and including affordable housing in their

developments.

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[Applause]

So, in some -- in the one place in the County where we have both an opportunity and a responsibility to address the dire affordable housing crisis that presently faces us, this group has thus far has, we believe, taken a position that's fallen far short of what's feasible in terms of inclusionary housing units and certainly far short of what's needed. Thank you very much.

[Applause]

MR. KREIMANN: Dale Goldsmith.

MR. DALE GOLDSMITH: Good evening, honorable task force members. My name is Dale Goldsmith. I'm a partner with the law firm of Armburster [phonetic] and Goldsmith, representing Legacy Partners which hopes to redevelop the Neptune Marina parcel in the Marina.

As a preliminary matter, I'd like to stress

Legacy Partners' commitment to fully comply with the

Mello [phonetic] Act in connection with its redevelopment

of the Neptune Apartments. As I will describe in a

moment, we believe that the draft affordable housing

policy will allow Legacy to achieve this important goal.

However, before I address the draft policy, it's

important to place the unique nature of Marina del Rey in

context.

The Marina is owned and operated by Los Angeles County for the enjoyment and benefit of all County residents and it generates substantial general fund revenue that is used, among other things, to fund County Health and Social Services. This fiscal year alone, more than fifty percent of the Marina's ground rent proceeds will be transferred to the County Department of Health Services. Providing affordable housing in the Marina will necessarily require a reduction in ground rents. We should not ignore the fact that the more revenue that is used to subsidize affordable housing in the Marina, the less revenue there will be available to support other vital countywide services.

I'd also like to dispel the notion that the County has done nothing with respect to affordable housing, including the recently-approved Shores [phonetic] Project which RPC acted on a couple of months back. There are a hundred and seventy-nine approved, affordable units that will come online hopefully in the next couple years. When this policy is implemented, the draft policy, there will be many more affordable units constructed as aging properties are redeveloped.

With these broader social considerations in mind, the method by which the County complies with the Mello [phonetic] Act should be balanced with

clearly-defined public policy objectives.

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We think that the appropriate objective is to facilitate the production of affordable housing the coastal zone or if that is infeasible, within three miles beyond without jeopardizing the County's ability to generate funding for other countywide benefit programs.

In speaking of the draft policy it is critical that any adopted affordable housing policy for the Marina provide developers with sufficient flexibility in complying with the Mello [phonetic] Act requirements.

Otherwise, developers will likely be unable to redevelop their properties. Meanwhile, the Marina's aging apartment stock will continue to deteriorate without contributing a single affordable unit.

We commend the task force for including in the draft policy this sort of flexibility.

MR. KREIMANN: Fifteen seconds.

MR. DALE GOLDSMITH: We would appreciate though, however, that if the task force could clarify one aspect of the current draft. The Executive Summary says that any rent concession by the County will relate only to inclusionary units, because inclusionary units are required only if feasible and the replacement units are critical for the determination of feasibility. We believe that the replacement units must necessarily be

considered in determining the amount of any such rent 1 2 concessions. Thank you for this consideration. 3 MR. KREIMANN: Thank you, Mr. Goldsmith. 4 [Inaudible from female audience member] 5 MR. KREIMANN: Okay. Our next speaker is 6 Liliana Hernandez. 7 [Applause] 8 MS. LILIANA HERNANDEZ: Good evening. My name 9 is Liliana. 10 MR. KREIMANN: Could you move the mike down? 11 So, speak right into the mike because we're trying to 12 record this. Thank you. 13 MS. LILIANA HERNANDEZ: My name is Liliana and 14 I'm from Power. I live in the City of Venice and because 15 Marina is right next door to me, this policy of five 16 percent very low- or ten percent low-income units is not 17 enough. So this concerns me because this will come to 18 Venice next. So this needs to be more of like a twenty 19 percent or at least double. And that's all I have to 20 say. Thank you. 21 MR. KREIMANN: Thank you. 22 [Applause] 23 MR. KREIMANN: Our next speaker is, and forgive 24 me, but I believe it's Shatwan [phonetic pronunciation by 25 Mr. Kreimann] Valentine? How did I do with that name?

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MR. KREIMANN: How do you pronounce your first name?

MS. GITANE VALENTINE: "Gitane." [phonetic]

MS. KREIMANN: Gitane. Okay.

MS. GITANE VALENTINE: My name is Gitane [phonetic] Valentine. I'm a long-time Venice resident. And I'm a member of Power and Venice Community Housing. I live in Venice. In fact, Venice could walk to Marina del Rey and Marina del Rey could walk to Venice. For the counties who have ten percent low and five percent very low, it should be like the City: twenty percent low and ten percent very low. I think everybody's heard about Lincoln Place. There are thirty-seven people left. One, today, I understand went to the hospital. I've gotten to know the people at Lincoln Place. I know a lot of people that this will affect and the City and the County should be the same. Because -- and another thing of my concern is the seniors and the ones specially at Lincoln Place that are being evicted. Those are seniors and disabled people and for one to have to go to the hospital today on account of this.

You should consider and have one Mello [phonetic] Act and it should be twenty percent or ten percent, just like the City is. Thank you.

[Applause]

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MR. KREIMANN: Thank you, Ms. Valentine.

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Our next speaker is Lauren Wolpert [phonetic].

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Lauren? Welcome.

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MS. LAUREN WOLPERT [phonetic]: Hi, thank you.

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I am Lauren Wolpert and I'm a resident of Del Rey and I

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just have a couple concerns. Here I am, talking to the

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microphone. As far as the houses are available, I mean I

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was able to find out about this meeting, I was able to

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find out a place like Power existed, but where is a

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centralized location that one would find housing units if

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and when they become available. Because I don't have an

Something else that bothers me or concerns me

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association with any group that exists.

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as far as development is as all these housing is being

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grown up, who is taking care of the infrastructure.

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Because I've noticed there's been a lot going on with the

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County are in Culver City as far as having sewage leaks.

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I know there's a lot of things kind of falling apart that

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way. So who takes care of and who will improve the

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infrastructure. Because within the developments there

also hasn't been an increase in park space even with the

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expansion of something like Centenella [phonetic],

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there's been an increase in bypass. And that would lead

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nicely off to the, you know, the main bypass there. So

that has been minus more than plus.

Also, as far as moderate income people, there's a lot of people in that area that have fallen through the cracks, that have spent a life of sofa surfing and have not been able to find any foundation in their life to move forward in it. I would appreciate, at the end of this, if you write all the available, good websites' addresses, emails -- if I found my pen, I could write them down.

As far as a Plan B, we have all these things being built right now and I'm sure a lot of developers want to see them to the end, but as we know, a lot of people's construction loans are for a small amount of time and interest rates are going up, and construction costs are going up, and a lot of people might not finish these buildings. What are we going to do because we are going to have a couple of half-finished apartments as much as we would like to think they are or think they're not, or whatever. It's just going to happen. It's just the nature of business.

Also, as far as domestic partners -- as far as financially helping one another, a lot of times we're not insured by each other's insurance, we cannot get each other's social security benefits once they're retired, we cannot get widow and widower's benefits. So, at this

point, we just have the right to divorce and how come we don't have the right to inclusion in this? How come everything has to be together when everything else, as far as benefits, we're not entitled to. I think that's all I have written down at this point. Thank you very much for your time.

MR. KREIMANN: Thank you very much.

[Applause]

MR. KREIMANN: Our next speaker is Mark Hensley. [phonetic]

MR. MARK HENSLEY [phonetic]: Yeah, I'm Mark
Hensley. I live at Del Rey Shores and I guess the one
thing that really strikes me about this whole thing
that's happening is that I just found out about all this.
I look on the board over here and it shows all these huge
buildings being built -- what this big plan is and I've
lived here all my life and I've never known about any of
this stuff happening until somebody from the Power
organization dropped something on my doorstep.

And so I have no idea what to say. As the guy that represents Del Rey Shores and the other developer who came up here, he had a nice typed out something to say to everybody. It sounded really nice. I would really love that opportunity to also put something together so that it sounds better. You know, right now,

I don't have the time to do that. I feel like this is, you know, like a backroom deal going on that -- it's going to affect me and my family. And I have nothing to say about it. It's going to affect me. So, you know, in just some of the notes I wrote from tonight, you know, I want to know. It's like you guys, you know, talking about the density maybe of where we live right now or how many people are already here. And what it's like to just drive around Admiralty right now and how we see it just changing.

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I mean, there's enough people here. And when the County says, you know what, okay Del Rey Shores, there's two hundred families there now. Go ahead, add another five hundred. How does that affect the way we live? You know, I mean, there's got to come a point where somebody, and I think it's got to be you people who really say, you know what? Yeah, things have got to change. We've got to stop all this madness of just grow, grow, grow for money.

[Applause]

You know, and you displace people, that really affects lives. And I want to talk about that. I'm the father of two that go to school here, locally. Now, I just found out I have to tell my children that they're going to be displaced. Maybe that's my fault because I don't live in

a two million dollar home. I can't afford that. Even though I've lived in this neighborhood my whole life, okay. And three generations of my family have lived here. But now I will not be able to afford to live here if your plan goes through. And so I just want to know, who's looking out for me and my family. Is it the government? And I'm just, I'm wondering about that because I've always felt that the government had my best interest in mind.

But now I'm really realizing that the guys with the suits, okay, that's where it's going. They're going to get it their way and I do feel the winds of change of blowing. And it's going to happen. So that leads me to, okay, so my family gets displaced, you know. What am I going to do? Where will I go to? They'll give me ninety days. I'm on a month-to-month right now even though I've lived in Del Rey Shores for seven, six years now. I'm on a month-to-month and literally tomorrow they could give me a ninety-day, and I don't know what I'm going to do. And what will I do with my children going to school. What will I tell my kids.

You know, these are things you really have to look at and slow down. Let's just slow down and let everybody know what's going on here because it's really incredible and I feel sorry for all the other people that

live in the County, you know. And I don't think any of you probably live here. I really don't. I doubt that very much. Because, you know, you guys are putting policy together that's affecting us. Well, help us out. If you're going to help everybody in the whole County and, you know, I didn't realize that I wasn't in LA until pretty much today. You know, I thought I would be entitled to the same things people in LA are entitled to or Santa Monica.

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If I am displaced, is somebody going to help me Because I'll tell you right now, I'm living monthmove? to-month. I've got a wife that doesn't work, I've got medical problems at home. And it's real important to me. And somebody has to look out for the little guy, okay. And that's me. And all the other people back here, they're going to lose their housing and where will we go? You know what, I've lived at the beach my whole life and I don't want to move inland much more, okay. So please slow down and let us have a chance to just discuss this and do it with community involvement. It's not backroom deals; it's about community involvement and we should all work together, because it's going to happen, I know it's going to happen. But let's work together, okay. Thank you.

MR. KREIMANN: Thank you Mr. Hensley.

[Applause]

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MR. KREIMANN: Our next speaker is Peter Zack.

MR. PETER ZACK: Good evening, members of the

This isn't lip

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behalf of the Villa Venetia Project. We're currently

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working hard on this project and are very proud of our

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top quality design which we presented to the DCB last

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week. We absolutely recognize the importance of

affordable housing in this region.

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service; we take responsibility to help to find solutions

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and, in fact, several of us have worked on other market

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rate projects that include affordable housing. We will

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Venetia.

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We support the proposed draft policy because we

16 believe it seeks to provide the greatest net benefit to

draw upon that commitment and experience at Villa

the community including affordable housing advocates

because it allows for flexibility and a case-by-case

19 analysis of the facts presented by each project in

determining the best way to support affordable unit

21 production. We understand that some tenants that

22 currently live here in the Marina, including our existing

23 tenants, don't want change because they hope that without

redevelopment the status quo and existing rent will

25 continue.

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However, the Marina's experience with redevelopment projects is that they do create incomerestricted units as well as new, high quality housing stock to replace the older existing units which date from sixties and seventies here in the Marina.

The five projects approved in recent years have led to a hundred and seventy-nine income-restricted, affordable units and the several projects which are now in the approval process, including our Villa Venetia Project, are all planning to support affordable housing.

The current draft policy offers a fair and predictable process for determining feasibility and correctly recognizes that off-site alternatives may be appropriate depending on the facts.

MR. KREIMANN: Fifteen minutes -- fifteen seconds, I'm sorry.

MR. PETER ZACK: The County is doing the right thing by balancing competing goals and supporting redevelopment with appropriate consideration of affordable housing. We support those efforts and look forward to continuing toward our goal of maximizing the number of units we can feasibly support while still ensuring an appropriate return to the County and to justify our investment in new public infrastructure and environmental benefits for the Marina and all

stakeholders. We think the current draft policy will allow the positive outcome and allow the County to continue to generate leasehold revenues from the Marina to support other County social programs. We support the flexibility of the proposed policy. Thank you.

MR. KREIMANN: Thank you very much. Let's just give it to Mr. Bollein [phonetic].

FEMALE MEMBER OF AUDIENCE: [Inaudible]

MR. KREIMANN: Could I -- could I just make one more request and that's please don't interrupt the speakers. It's not appropriate. We're going to give everybody a chance to speak and just please, it'd make things work a lot smoother. So if I hear more interruptions, it's going to force me to tack more time onto the individual. I think that's fair. So, please, we're all adults here and we understand that it's a hot topic and it is a difficult one, but please, I will appreciate everybody being civil to one another and extending the courtesy of allowing them to speak of their particular views. With that, our next speaker is Deanna Kitamoro? [phonetic]

MS. DEANNA KITAMORO: [phonetic] Good evening,
I'm Deanna Kitamoro, an attorney with Western Center on
Law and Poverty. I'm here with my legal aide colleagues
in support of Power.

The first thing I want to know is that the only people who have come up here in support of the policy, the draft policy, have been the developers and there's a reason for that because the policy is inadequate. Ben Beach, my colleague, addressed some issues and Dan Brown, my other colleague, will address the other ones. I would like to point out a couple of other things.

First of all, the policy lacks guidance on important issues. Because the Mello [phonetic] Act requires affordable inclusionary units where feasible, the question of where the affordable units will be located and whether inclusionary units will be required all comes down to feasibility and in order to figure out feasibility, the County must decide on methodology and threshold levels.

But the policy is completely silent on these two issues and a lack of guidance results in inconsistency decisions. We know from comments made by the RPC that they want the County to provide them guidance. Otherwise for each proposal that comes along there will be a fight over which methodology and threshold to use. Unless these issues are resolved in the policy, you essentially have an ad hoc process. And the one point that is covered in the draft policy with regards to feasibility is that there can be an adjustment

up to two hundred points. However, the draft, again, does not provide any details on when such an adjustment should be made. So this policy is essentially ad hoc.

There is also discussion, or there's also a point about rent adjustments in the policy. Under the County's existing Marina policy, the County indicated that it was willing to reduce the ground lease by fifty-three percent. But the proposed policy states that the County is willing to reduce their ground lease on inclusionary units, but it does not provide any percentage, any sort of cap to that level. If there is no maximum level provided, then it is difficult to conduct any feasibility analysis, because a formula cannot be established.

So, once again, the County will have to conduct a case-by-case analysis because the policy does not spell any details out.

The last point that I want to make is about rental versus ownership. The draft policy allows all affordable units to be a rental, even where the market rate units are ownership. This is problematic for a variety of reasons. One of the main reasons to bar such pol -- tradition [?] is that affordable units and the tenants residing in them are likely to be stigmatized if all the other units are ownership. Moreover, the

County's housing elements states that the County will coordinate with the private sector in the development of a variety of affordable housing for both rental and ownership. If you allow developers to build only rental for the affordable units, the County will have missed an easy opportunity to promote one of its housing element policies.

The draft Marina policy is highly problematic legally and for policy reasons. We encourage you to incorporate all of the comments that we have addressed in our letter to you and as well as to the Board of Supervisors. Thank you.

[Applause]

MR. KREIMANN: Thank you very much. Our next speaker is Suzanne Brown.

MS. SUZANNE BROWN: Good evening. My name is Suzanne Brown and I'm an attorney with the Legal Aid Foundation of Los Angeles. My testimony tonight is going to focus on some key problems with the replacement housing provisions of the draft policy.

First, the policy creates a number of improper exemptions from the Mello [phonetic] Act's replacement housing obligation. These include resident managers, students who pay their own rent and financially independent relatives who live together.

Second, while the Mello [phonetic] Act requires examination of current tenant incomes to determine if a replacement unit is required, the policy improperly allows examination of rent levels. This violates the Mello [phonetic] Act and it also makes little sense from a policy perspective because in today's housing prices, tenants are doubled up and overcrowded in order to afford rents.

Third, while the Mello [phonetic] Act requires replacement of low- and moderate-income units on a one-for-one basis, the policy improperly allows for replacement of bedrooms on a one-for-one basis. This constitutes an improper reduction in the Mello [phonetic] Act's replacement housing obligations. And again, it does not go very far in helping us in today's housing prices.

Fourth, while the proposed policy is proposing a thirty-year covenant on affordable housing units, we recommend that units remain affordable for the life of the ground lease. Otherwise, as all of the ground leases in the Marina come up for expiration, we're going to -- I'm sorry. In thirty years, we're going to see a loss of all the affordable units at one time. Whereas if we keep them affordable for the life of the ground lease, we're not going to have a big loss of affordable units at one

moment.

Fifth, pursuant to our reading of the Mello [phonetic] Act, like-for-like replacement of units is required. This means that if a low-income unit is demolished or converted, it must be replaced with a low-income unit. Unfortunately, the proposed policy is interpreting the Mello [phonetic] Act to allow replacement of any unit with a moderate-income unit. Again, this violates the Mello [phonetic] Act and in light of our housing crisis, is a very poor policy choice.

Sixth, while the policy allows developers to provide replacement units either on-site or elsewhere in the coastal zone, it would be much better policy for the County if replacement units were located on-site. It would meet the goals of the Mello [phonetic] Act which are anti-gentrification.

Seventh, the proposed policy improperly allows developers to satisfy their housing obligations through rehabilitation. This is not permitted by the Mello [phonetic] Act because it does not create net new units. Rehabilitation, moreover, is cheaper than new construction so it provides developers with a constant incentive to build off-site, which, again, is not in the best interests of the community and does not meet

anti-gentrification interests. Developers should be required to satisfy their Mello [phonetic] Act obligations through either adapted reuse or new construction, because this will yield net new units and help our housing crisis. Thank you.

MR. KREIMANN: Thank you. Mr. Heifetz, [phonetic] you have a comment?

MR. HEIFETZ [phonetic]: Yeah. Just as a clarification: a couple, two points -- not to get into a debate with Ms. Brown and I'm sure we will talk more about this later, but the two points that I just wanted to make a comment on: one is the issue of rent levels. What the draft policy provides is we were only -- the draft policy provides that we will only look at rent levels versus tenant income when the tenant doesn't complete the survey and we otherwise don't have income information for that tenant. That's the only time that we -- that the draft proposer is looking at rent levels. So that's just one point. We can talk about that more later.

Second, the only other -- the second point, I just want to make sure, because I think the task force was clear, but maybe the document we submitted wasn't clear on rehabilitation. We're not at all, I don't think the draft policy is proposing to rehabilitate a unit that

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otherwise is low income. We're talking about taking a market rate unit and rehabilitating it to add to the low-income stock. So it would in fact increase the That's the intent of the current draft.

MR. KREIMANN: Thank you. Our next speaker is Maryanne Weaver.

> MS. SUZANNE BROWN: [Inaudible]

MR. KREIMANN: Hold on, hold on, you had your three minutes, so...

> MS. SUZANNE BROWN: [Inaudible]

MR. KREIMANN: Okay, I'll allow it this one time.

MS. SUZANNE BROWN: [Inaudible] ... just in terms of the rehabilitation, if you're subsidizing the exiting market rate units to make it low-income, you're not adding to our housing stock in any way; you're just adding a subsidy to an existing unit and the point with such a housing crisis right now is to constantly increase the housing stock and increase the amount of low-income units.

Putting that issue aside, a separate point, along with this, is, it is immensely cheaper to subsidize and rehab an existing unit than it is to create a new low-income unit either on or off-site. So there is a constant economic incentive for the developer to rehab

and subsidize a unit instead of creating a new unit and adding to our housing stock and creating a low-income unit. Thank you.

MR. KREIMANN: Thank you. Maryanne Weaver?

MS. MARYANNE WEAVER: Good evening. My name is

Maryanne Weaver and I'm a resident of Marina del Rey.

MR. KREIMANN: I'm sorry, could you put the microphone closer to your -- thank you.

Was a resident at Kingswood Village and before Kingswood Village was purchased by Art Stone [?] some of us tenants were informed that -- by Kingswood Management that the County had requested that Kingswood prepare a plan for affordable housing and they were working on that plan when Art Stone took over. The question we need answered is why the County did not insist that Art Stone continue with that plan. The Kingswood Village Complex consist of six hundred and twenty-four units and when Art Stone took over, a large percentage of those tenants were people who would have qualified for affordable housing and seniors between the ages of sixty-two and ninety years old.

If at least ten percent of affordable housing had been available, many of those -- it would have been at least sixty units -- and many of these people that were displaced, would have remained in their homes. At

one of the new surrounding communities, Playa Vista, several apartment complexes are offering affordable housing. For instance, the Avalon del Rey offers ten percent low income and ten percent affordable income, a moderate income which is twenty percent total.

Due to the dark situation in the country today, many companies are outsourcing work, cutting back workforces, pensions being cut, wage concessions. And according to recent statistics, more than fifty percent of the American people have income of less than fifty thousand dollars per year and that percentage is rapidly decreasing.

These are hard-working people along with senior citizens, some who live right here in Marina del Rey who would like to stay here and they should stay here. But because of the outrageous rent increases, these people are being forced out of their homes and the sad thing is that they're not compensated for it as some of these surrounding areas do.

In revising the policy, we want the policy to state that every apartment complex in Marina del Rey be required to offer twenty percent affordable housing and that it not be limited to just the new complexes, but all complexes --

MEMBER OF AUDIENCE: Yayy.

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MS. MARYANNE WEAVER: -- including the renovated and the non-renovated. Thank you.

MR. KREIMANN: Thank you very much. Our next speaker is Estella de Janos? De La Janos?

MS. ESTELLA DE JANOS [Phonetic]: Good evening.

MR. KREIMANN: Good evening.

MS. ESTELLA DE JANOS: My name is Estella de Janos of Latham & Watkins on behalf of Lion Capital, the lessee for Villa Venetia. We agree we need more housing, but the Mello [phonetic] Act alone will not solve our housing crisis. Requiring projects in the coastal zone to provide units on-site where land costs are the highest and density may be limited by deference to coastal resources, is among the least cost-effective options and will generate few units given the high cost per unit. The County needs to consider options that will maximize the number of affordable units.

This includes off-site alternatives that can take advantage of lower land costs, reduced environmental constraints and the ability to leverage private funds with tax credits and other financing incentives to maximize creation of affordable housing. As you evaluate your comments, the comments on the current draft, we know its consistency with the purposes of the Mello [phonetic] Act.

First, the purpose of the Mello [phonetic] Act was to restore local control over housing policy. Prior to the Mello [phonetic] Act, the state imposed affordable housing requirements on projects in the coastal zone. As a result, coastal cities and counties had little to no control over housing policy within a portion of their jurisdiction. The Mello [phonetic] Act was one of many acts introduced to give control over housing policy back to local governments.

Today, the Mello [phonetic] Act gives the

County a great deal of discretion and flexibility to set

housing policy on a countywide basis. The Mello

[phonetic] Act does not set minimum percentages; it gives

the County discretion to determine how best to meet its

housing needs.

In addition, the Mello [phonetic] Act is premised on feasibility. Sorry about that. Feasibility

[End of Tape 1, Side B]
[Start of Tape 2, Side A]

MS. ESTELLA DE JANOS [Phonetic]: Four factors: environmental, social, technical and environmental.

Projects that cannot be successfully completed within a reasonable period of time are not considered feasible.

Each of these of these factors including timing and

likelihood of success are important and must be considered.

In addition, the County as landowner, must consider the revenue impacts. Rents from the Marina have been a substantial source of the County's unrestricted funding which is used for important countywide programs such as health and other social services. Reducing ground rents directly impacts this funding. The County must analyze the fiscal impacts of any alternatives to the proposed policies.

We support the current draft because it seeks to establish a clear and predictable compliance process and because it recognizes that the Mello [phonetic] Act gives the County flexibility to permit both on- and off-site compliance. The County is a landowner; therefore, it should consider ways to maximize production of affordable units.

Many of the housing units in the Marina are in need of renovation and lessees are eager to provide the County with new units that need energy efficiency, seismic and other current building standards and which will increase County revenues for important County programs. Clearly, more housing is needed at all levels, but until a policy is adopted, lessees will be discouraged from redeveloping the Marina and to no new

income-restricted units will be created. Therefore, we ask you to move swiftly to adopt a policy.

We look forward to providing supplemental comments in writing as your process continues. Thank you.

MR. KREIMANN: Thank you. Our next speaker is Carla Andrews?

FEMALE MEMBER OF AUDIENCE: [Inaudible]

MR. KREIMANN: No, no. We're going to do it now, yeah.

FEMALE MEMBER OF AUDIENCE: [Inaudible]

MR. KREIMANN: Great.

MS. CARLA ANDREWS [phonetic]: [Inaudible] ...
you know, that's the kind of presentation you'll get, I
suppose. You know, it's like -- well, the first thing
I'd like to say is we definitely do need workshops on
this matter, okay. And you have not succeeded in the
outreach that is required to even let this community
know --

[Audience speaking over]

We need workshops and we also need a better outreach, absolutely. The purpose of the Mello [phonetic] Act is to provide the -- not the minimum affordable housing, but rather the maximum amount of affordable housing the coastal zone and the most generous offering in support of

state law and its intent.

Marina del Rey, in its unique role to the region as recreation, small craft harbor, does not recognize housing as a priority and this is -- I'm going to take this opportunity to say that when you are looking at a new lease, and a new project, you have denied us a bid on that project. The public has a right to look at that property before you give an extended lease or new leases or anything else to revisit that property to determine if we want housing in the area at all.

For instance, your Del Rey Shores -- it's two hundred units now. Maybe we would like to see that taken off the map and a baseball field put there. It's our choice. We should be able to say something about that. It is publicly-owned marina. We keep saying "county-owned marina," but this marina belongs to the public. We paid for it, we have a land use plan, we have a local coastal plan, and you need to adhere to that.

So housing is not a priority in the marina, anyway. However, we do have housing here and as it started, it was a fair reasonable -- it was fair and reasonable rent. The lessees' association sued to get out from under that obligation. The County rolled over and said, well, you know, here's a way to maximize our revenues.

I'd like to see an audit on the benefit of these revenues, too. We all know how dismal failure the County has been in these social benefit programs. And for you to tell us that by eliminating housing in this marina, how it's going to fix everything -- I want to see an audit on that. I'd like to see how that really works in numbers.

The Mello [phonetic] Act is a poor compromise, at best. You know, when you're gentrifying an area like this, it's just -- it's just -- you're asking, you're giving these developers all the goodies in the world, right. They get density housing, they get extra traffic credits, they get new leases, extended leases, leases without even looking at the bid. And then you give us the crumbs of affordable housing. And now we see the developer and the County fighting over those crumbs. And we're just stand here left going, oh well, maybe we'll give five percent.

MR. KREIMANN: You have fifteen seconds.

MS. CARLA ANDREWS: Because you're going to help somebody, you're going to help social benefit programs? I want to see some real proof of that.

 ${\tt MR.}$ KREIMANN: Thank you very much.

[Applause]

MR. KREIMANN: Our next speaker is Nancy

Marino?

MS. NANCY MARINO: Good evening. My name is Nancy Vernon Marino and I am a Marina del Rey resident. That's M-A-R-I-N-O, I think you wanted me to spell that.

Hello to all of those of you who see me practically every meeting. I didn't have a lot of time to prepare today because there were actually three public hearings on Marina del Rey projects last week. The County departments and commissions and everything — they're paid full-time to do this job and they have come here very well prepared. I sat during your presentation scribbling down my reactions on what you have presented. And thank you, it was a fairly clear presentation.

I would like to first say that notice was perhaps legally given, but notices are not even a needle in a haystack; they are a piece of straw in a haystack. It is very, very difficult for members of the public to find each and every meeting because there are so many of them. I mean, we are just -- we are inundated. Every project has several meetings and different commissions and boards, and so forth.

So, the County's obligation is not just to notify, but to do County outreach because this is such a comprehensive redevelopment project and we would like to have public workshops resolving major policies such as

this one before these projects go railroading through.

It's just impossible, as members of the public. We're working full-time and then we're doing this in our spare time, trying to come prepared, trying to bring the issues before you that matter.

So we would like to have workshops on this before you do your revised report. We think this is necessary.

To get to your policy itself, number one, I would like to ask why are there no community representatives on your task force. That --

[Applause]

That seems to me to be the most glaring aspect of this whole thing. The community is, you know -- you're bringing this to us like little children. This is very insulting and we would like to see a member of the community who is very involved in housing issues be included in this task force. That will allow us to get better information more quickly.

I'm happy to see that the in lieu fee will be abolished. I leave [?] Ms. Brown's testimony about the covenant lasting for the term of the lease -- I support that. I think that's very important.

The fourth one, the proposal to base replacement units on this income survey is absolutely

ludicrous. I don't even know where to start with this. You're going to ask people for all of this personal, private information and insist that they give testimony in these -- or in their responses under penalty of perjury. Now, you're going to ask for information on all household members and supposedly exclusively to determine replacement housing eligibility. I don't trust that that information is going to be used just for that. And I would not be very -- I would be very reluctant to give that information out. I might wonder if I were struggling to pay my rent if this information might not be used by the lessee to try to shove me out a little bit early, get rid of me because what if they think I don't have enough money to pay the rent?

And it also -- it predetermines based on some government criteria how people should be spending their money and what is appropriate. Right now, to use your example of a two hundred-unit complex being replaced by a five hundred-unit one, well, supposing -- let's see, where's that. Okay, if all the units in the existing two hundred building are affordable housing now, what if none of the present occupants -- or what if the present occupants are either unwilling or unable to prove that they fit the government-determined criteria for need.

That would mean that the new building would

1 require maybe only a few or perhaps even no replacement 2 units. That doesn't seem like a very good policy to me. 3 MR. KREIMANN: Fifteen seconds, Ms. Marino. 4 MS. NANCY MARINO: Okay, all right. Well, all right. 5 6 Second, next one. The item on vacant units. 7 They need to be classified in proportion to the occupied 8 units. Otherwise there's just, there is the motivation 9 for lessees to keep -- to get those units vacant before 10 these surveys are done. This is not acceptable. 11 Number six: On your evictions for cause. 12 the cause was nonpayment of rent, I think there needs to 13 be an investigation into the rental rate increases on 14 that unit, starting from perhaps January 1st of this year 15 or at some base point to determine that they weren't just 16 increased rent out of a unit. You know, that they no 17 longer could afford it and so that they voluntarily 18 moved. 19 MR. KREIMANN: Okay. 20 MS. NANCY MARINO: Is there someone who could 21 grant me some time? 22 MALE VOICE: [Inaudible] 23 MS. NANCY MARINO: Okay. He's going to cede me

his time. Is that acceptable?

MR. KREIMANN: Unfortunately, it's my time.

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So, I'll give you one last -- one last comment.

MS. NANCY MARINO: I have a couple more,

actually. If he has three minutes and he cedes it to me, why is that your time?

MR. KREIMANN: It's my time. It's -- last comment.

MS. NANCY MARINO: Oh.

MR. KREIMANN: Well, go ahead.

[Audience speaking over]

MR. KREIMANN: Go ahead.

MS. NANCY MARINO: All right. I would like to know how aggressive County will be with regard to unfeasibility appeals. The replacement and inclusionary housing off-site provides for siting within three miles of the coastal zone where the land values are much lower than in the coastal zone. This -- sorry. This provides a huge incentive for developers to engineer unfeasibility. So, I want to know what protections -- how you determine -- I want to know how aggressive you will be in challenging any unfeasibility claim.

And also, as far as if the housing is replaced off-site, I think there needs to be a greater than one-to-one ratio -- because of this different in cost, it's much cheaper to build inland because of the land values. So there should be more units replaced, not simply the

number that would be built here in the coastal zone. And then --

MR. KREIMANN: Last comment.

MS. NANCY MARINO: Okay. It's all I could come up with anyway. In the additional provisions there are two references to applicants' proposals: one for rental and ownership units and one for ownership units. Marina del Rey is public land, mandated for a small craft harbor and public recreation. Why on earth is the County contemplating and even here promoting ownership? This is just wrong. We have not been able to own here in the Marina for years. We were told that's because it's public land and no one can own here. So why are you offering our public land for sale? Thank you.

[Applause]

MR. KREIMANN: Thank you. Our next speaker is Steve Clair [phonetic].

MR. STEVE CLAIR [phonetic]: Good evening,
members of the Affordable Housing Task Force. My name is
Steve Clair. I am Executive Director of the Venice
Community Housing Corporation. We're a non-profit,
affordable housing developer that operates in Venice and
Mar Vista area. We're vitally concerned about the loss
of affordable housing in our community and within the
coastal zone. Venice Community Housing Corporation first

investigated the issue of the City's non-compliance with the Mello [phonetic] Act back in the early nineties and spent a considerable amount of time trying to work with the City to develop policies and procedures which would fairly implement the Mello [phonetic] law.

when the City refused to develop such plans or effectively implement the Mello [phonetic] law, we were among those who helped to bring a lawsuit against the City of Los Angeles and thanks to the Court of Appeal and litigation which, I presume, that you are familiar with, the Court directed that the City did have a mandatory obligation to comply with the requirements of the Mello [phonetic] Act. And after the Court of Appeals made that directive to the City, I'll have to say that the City did in fact operate in good faith and worked with the plaintiffs and the plaintiffs' attorneys to develop policies and procedures which did actually comply with the spirit as well as the letter of Mello [phonetic] law. And I would say that we seek no less from the County.

We've already sent a letter to the Board of Supervisors about the issue. I have copies here. I'd like to give them to the Affordable Housing Task Force for its consideration as well. In sum and substance, the policy as crafted does not further the underlying objectives of preserving and expanding affordable housing

within the coastal zone. One must ask the question, what is the proposed policy trying to accomplish. If it's to interpret the Mello [phonetic] Act in a way that would minimize the obligation to provide affordable housing in the Marina, maximize the profit to developers who will reap — the profits of developers will reap from leasing and developing this public land, the policy succeeds. If, however, the County is trying to advance a public policy that recognizes and I'm quoting now from the Government Code: "There exists within the urban and rural areas of this State a serious shortage of decent, safe and sanitary housing for persons and families of low and moderate income and consequently a pressing and urgent need for the preservation and expansion of low—and moderate—income housing supply."

This policy fails miserably. I know I don't have the time -- in the time that's been allotted to me to speak specifically in any detail about the various areas that the policy is deficient. But let me just itemize some.

Regarding the policy of replacement units, the policy, as other people have mentioned, authorizes several exemptions from replacement requirement that are not authorized by the Mello [phonetic] law. These include the units occupied by managers, students, units

that have been vacant within a year from the term sheet negotiations.

replacement housing for thirty years. Other people have commented on that. And it allows for the rehabilitation of existing units also rather than replacement with new units. Regarding inclusionary units in new construction, the biggest loophole is that the County policy sets no requirement, only a goal. And that goal is only five percent for very low and ten percent for low in the new units to be constructed.

And, of course, the feasibility as presented by -- in this draft policy, rests on the pro forma of the developer. The City of Los Angeles came to the just conclusion that the developer was not -- was always going to be able to manipulate his pro forma, is always going to demonstrate that he didn't have the, you know, the ability to create the affordable housing within the project.

So the City did its own analysis and came to a categorical conclusion that it was feasible in projects of excess of ten units to provide twenty percent of those units that is affordable to low-income people or ten percent affordable to low-income, very low-income people.

MR. KREIMANN: Fifteen seconds.

MR. STEVE CLAIR: I would also then state that the thirty units -- I agree with the previous speaker who said that it should be at least the term of the lease, if not in perpetuity. There's no -- why not? That's the purpose to be furthered. Double counting the density units and the -- and the Mello [phonetic] units. You know, both of those laws are intended to advance the increase of affordable housing. Allowing a developer to count this same unit to satisfy two policies is clearly contrary to the objectives on the policy that underlies both of those laws.

So, in sum, I urge you to throw out the existing draft, start over, keeping in mind that the affordable housing crisis that exists in this County and the public policies that underlie the law that you are charged to implement and the clear and unambiguous language of the law itself. Thank you very much.

MR. KREIMANN: Thank you, Mr. Clair.

[Applause]

MR. KREIMANN: Our next speaker, Violetta Hudson. Is she here? Okay, we'll move on. Karen [phonetic] Stone, please.

HELEN GARRIT: [Inaudible]

MR. KREIMANN: Helen, I'm not going to do this.

HELEN GARRIT: [Inaudible] ... Supervisors'

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intention -- to make the Marino look like downtown

Manhattan, but they will preserve this new housing for

the rich only. A modest one-bedroom apartment will rent

for two thousand three hundred dollars a month. And I

don't think people can afford that. It's the

Supervisors' job to plan for low-income housing. The

public-private joint venture under the Mello [phonetic]

Act is the only just way that the five Supervisors can

possibly respond to this housing crisis to offer only

five percent is disgusting. It's unjust.

MR. KREIMANN: Helen --

MS. HELEN GARRIT: The five percent policy being offered clearly demonstrates a supervisorial bias towards rich developers and rich people who can already afford to live anywhere.

MR. KREIMANN: Helen -- you've got to preserve

MS. HELEN GARRIT: The Supervisors are mandated and required to build affordable housing in such a tight market. The people of the Marina want affordable rents in their neighborhood. Every person here should demand the Supervisors reject this draft plan and do their job. Give us affordable housing in the Marina.

[Applause]

MR. KREIMANN: Thank you. I think -- I'd like

to make a comment. You know, we've been extremely 1 2 patient and we've sat here, listened to all the 3 testimony. I'm asking again to please have some decorum. 4 The fact that you feel you have more to say -- you've had 5 your three minutes allotted. It's not fair to the other 6 side either that the speakers that have already spoken, 7 they didn't have the benefit of additional time to 8 present additional testimony. It's not fair to those 9 individuals. So let's get back to the program and let's have our next speaker. So, yeah, I'm very disappointed 10 11 in that outburst. But that's my personal opinion. 12 My next speaker, you've spoken already, haven't 13 you? 14 MS. KAREN STONE: No, you just called me. 15 MR. KREIMANN: Dorothy? 16 MS. KAREN STONE: No. 17 MR. KREIMANN: Okay, let's call Karen Stone, 18 then. 19 MS. KAREN STONE: I don't know -- is this 20 working? MR. KREIMANN: It's working. Go ahead. 21 MS. KAREN STONE: You know, I -- it's been very 22 23 difficult for all the citizens in the Marina these past 24 few years, but I think that the senior citizens and for 25 the elderly it's been really difficult. I mean, I know

how hard it's been on people like me and people in my age bracket, but that's what you're seeing. It's very scary. So, that's what's going on.

I came along to talk a little bit about what she was saying. I've lived in the Marina for eighteen years and I want to know why all of you are making -- and LA County is making decisions for our city. The citizens should be making decisions for our city. And the big problem is, we are not even allowed to vote for the Mayor of LA because we don't live in the City of LA and we don't have our own representation in LA County because LA -- for the city, because LA County won't allow it. So we have a huge problem here and it's got to stop. The citizens of Marina del Rey should be allowed to make the choices for their own city.

And other cities get to make their own choices. Why can't we? So, I think you're going to see a lot of changes. People are really getting tired of it.

The next thing is I have watched the past few years all the business owners getting pushed out. It is a known fact that LA County has decided a few years ago that they had no money. And Marina del Rey was the biggest money maker for LA County. So they decided to gouge all the citizens in the Marina because they need money. Well, first of all, I want to know where all our

taxes are, because I know I pay a fortune in taxes.

And the citizens of Marina del Rey are not LA County's mother and father. You know, we were not put on this earth to support the County. LA County is one of the biggest counties in America and if they don't have any money, there's a problem. And we deserve to know where all of our taxes are going. And it should not be - we should not have to be paying astronomical amounts of rent in this city because LA County has no money.

I have just been forced out of my second apartment in two years because of astronomical rent raises. And I would also like to know with all the problems with Art Stone why the County is allowing them to continue buying -- to buy up every single apartment complex in this city.

[Applause]

If you go to the courthouse, they have over thirty-five hundred lawsuits against them. I had to sue them; they wouldn't even give me my security deposit back. Their attitude toward everyone is "sue us." Everything they're doing is illegal, immoral, unethical. They are raising rents anywhere from five hundred to two thousand dollars a month and LA County just doesn't care. But you guys cannot make decisions for our city anymore. Because I'll tell you something, everyone is sick of it,

really sick of it.

[Applause]

Yeah, I mean, because no one -- you're supposed to be representing the citizens of our city, but no one is.

[Applause]

MALE MEMBER OF AUDIENCE: Hear, hear.

MR. KREIMANN: Fifteen seconds.

MS. KAREN STONE: All right, well --

MR. KREIMANN: Did you make a comment about the policy?

MS. KAREN STONE: Well, also, we need rent control in this city. I want to know why people like Marina Harper and Art Stone can just raise rents on people -- I just moved in to Marina Harbor. I moved in for a couple months, I got a letter: we just want you to know that when your lease is up, we're going to raise your rent three hundred dollars. Art Stone's raising rents nine hundred dollars a month on people. I want to know why that's being allowed. There's a problem here. And yes, we need affordable housing, but we also need rent control, because not everyone can pay three thousand dollars for a one-bedroom, four thousand dollars for a two-bedroom. There's a problem.

The owners of the apartment complexes should

1 not be allowed to just raise rents to whatever they want 2 and force people out. 3 MR. KREIMANN: Thank you. 4 MS. KAREN STONE: And it's really serious. 5 MR. KREIMANN: Thank you. 6 [Applause] 7 MR. KREIMANN: Our next speaker is Ted Vance. 8 FEMALE MEMBER OF AUDIENCE: [Inaudible] 9 MR. KREIMANN: Ted Vance? 10 MALE MEMBER OF AUDIENCE: [Inaudible] 11 MR. KREIMANN: Yes. 12 [Audience member speaking over] 13 MR. KREIMANN: No, it's Ted Vance or no one. 14 [Inaudible] 15 MR. VANCE [?]: I guess I'm watching this and 16 I'd like --17 MR. KREIMANN: Can you turn the microphone up, 18 please. 19 MR. VANCE: I'm watching the proceedings here and I'm interested in how it would be if a developer who 20 wants to make a development would do his own feasibility 21 22 study as to whether or not it's feasible to follow the law. We have rule of law here. 23 24 [Applause] 25 This is the United States. We don't ask

developers if they can comply with the law. We tell them they will and we check that they do. That's all I have to say. Thank you.

MR. KREIMANN: Thank you. Cindy Sterrit [phonetic].

MS. ____: Thank you, Mr. Kreimann. I think it's a violation of our free speech if somebody gets up here and says they want somebody else who may have a little more knowledge and has had time to prepare can speak for them. I don't think you can deny the person that privilege. Thank you.

MR. KREIMANN: Hold on.

[Audience speaking over]

MR. KREIMANN: I think it is that the task force has the time -- the task force has the ability to set rules for the agenda so that everyone can speak just like we do at Regional Planning Commission hearings, as a lot of you know. In fact, in the Regional Planning Commission hearings we often have the Sheriff to handle situations where there are outbursts and where people get up and speak when they're not supposed to. I'm not advising, but if we do have any further hearings, that might be necessary here. We're trying to run a decent decorum here and give everyone respect.

MS. ____: Are you interested in knowing what

the public thinks about this? Or are you simply interested in holding a session so you can say you solicited our input?

MR. KREIMANN: The next speaker, please. Cindy Sterrit?

MS. CINDY STERRIT [phonetic]: Hi, I'm Cindy
Sterrit from Latham & Watkins. We're helping Villa
Venetia, but I also handled the most recent case in the
City of Los Angeles on the Mello [phonetic] Act and
worked closely with the Legal Aid lawyers that are here.

I have a different perspective from some of the people that have spoken. I think the County has been tremendously responsive. Compared to the City, the City has had an inland settlement agreement for six years coming out of a lawsuit. That interim settlement agreement was written in the year 2000. They have still not been able to adopt a permanent policy.

I think not very clearly, indicated that they required double the affordability percentages ten and twenty.

That's because they reflected what State law was at that time. The County is accurately reflecting what the density bonus percentages are now. Sacramento made those percentages after a lot of review of what the costs are of subsidizing affordable units and to what extent they

could cause the private sector to create affordable units.

The cost of subsidy on the Venice project that we worked on was over a million dollars a unit for onsite subsidies. The cost of off-site subsidies even in an affordable housing project is going to be two hundred, three hundred, four hundred thousand dollars a unit. So these are very, very big numbers. The reason we think the County's policy is appropriate is that the County should think about do we want to spend a million dollars a unit with no choice as to whether we should allow a developer to partner with an affordable housing provider and perhaps provide five or six units off-site instead of one unit on-site. We think that's a very appropriate public policy consideration.

Your job, the County's job is the big picture. Obviously all the people here, including me, are here with specific properties in mind. But we think that is an important factor to think about -- how is it going to affect the big picture.

The County has moved very quickly. Concerns were expressed, again, by some of the people in this room at project hearings about your policy within the last few months. You immediately said, okay we're going to change our current policy, we're going to adopt a new policy,

you proposed a policy, the Board of Supervisors has already had one hearing on that policy, you're having a hearing tonight. There will be environmental review.

So, again, in comparison to the City, and I do a lot of work in the City, the County is moving quickly and listening to everyone. We appreciate that. We look forward to continuing as part of this process, but we do think that in fairness, the responsiveness really needs to be recognized. Thank you.

MR. KREIMANN: Thank you very much. I have one last speaker, the final speaker. Is there anyone else that needs to fill out a card that has not spoken?

Dorothy Franklin? Yes.

MS. DOROTHY FRANKLIN: I would like to concede my time to [inaudible].

MR. KREIMANN: I can't allow you to do that.

[Audience speaking over.]

MR. KREIMANN: What we can do for the balance of our time, then, is we would be more than happy to entertain any questions on the draft policy that we can clarify for you on --

FEMALE MEMBER OF AUDIENCE: [Inaudible]

MR. KREIMANN: I'm not going to take any statements in that the questions please need to refer to the draft policy. So we'll take about a ten to fifteen

1 minute Question/Answer.

FEMALE MEMBER OF AUDIENCE: I have a question - the policy that --

MR. ___: To the microphone, please.

MR. KREIMANN: Sorry.

MR. ___: Please identify yourself.

would ask, you know, number one, the boating community has been compartmentalized and separated. They are tenants of Marina del Rey and there already exist for them affordable housing that's been available historically throughout all of Marina del Rey. So, I think that you should also make sure that since that housing is already there, it exists, it meets all of your criteria for feasibility -- I want to make sure that the boating community is addressed in this policy and not put aside and underrepresented as they are now.

MR. KREIMANN: Okay, thank you.

MS. CARLA ANDREWS: My question is --

MR. KREIMANN: Your question.

MS. CARLA ANDREWS: How will that -- how will that be placed in your policy? I didn't see much about it in this new draft.

MR. KREIMANN: Okay, thank you. I believe the answer, and maybe Mr. Farnen can amplify.

1 MR. FARNEN [Phonetic]: This policy will deal 2 strictly with affordable housing. It will not deal with 3 voter rights or other Board issues. 4 MS. CARLA ANDREWS [?]: But it is an important 5 issue. 6 MR. FARNEN: It will not be dealt with in this 7 policy. 8 MR. KREIMANN: Does anybody else have a 9 question -- on the policy, please. 10 MS. : Hi, thank you very much. Quick question. I just want to know in terms of the public 11 12 comment process today, are you going to be preparing a 13 report for the Board of Supervisors that merely reflects 14 the comments today, or will you be taking our comments 15 back considering revisions to the plan, proposing 16 revisions and then taking them back to the Board? 17 MR. KREIMANN: The task force will be taking 18 your comments, they will be reviewing them and we will be 19 presenting options to the Board of Supervisors based on 20 your comments. Any other questions? Last question. 21 MS. : The last question? 22 MR. KREIMANN: That's correct, you're the last 23 question. 24 MS. : When will we have our workshops? 25 And when will you outreach to the rest of this community?

It has to be before your ninety days and sooner the better so that people have time.

MR. KREIMANN: Thank you. Thank you.

[Applause]

MR. KREIMANN: My previous answer hasn't changed. The answer is that we have a deadline to meet. The input that we have -- that you have provided today will be considered. We'll put a report together. We do not plan on having any workshops.

FEMALE MEMBER OF AUDIENCE: [Inaudible]

MR. KREIMANN: We'll be sensitive to your issues -- thank you.

MR. ____ [from the stage]: Santos, we're going to provide a copy of our report to the Board of Supervisors in what, two weeks in advance of the meeting and we'll do our best to ensure that the community is advised as to what that hearing date is. It'll be on the Beaches and Harbors website. I promise we will post notice here at the library and our Beaches and Harbors headquarters. We'll make sure that The Argonaut publishes that. We'll do a direct mailing list if anyone wants to give me -- give Santos their card, we'll be happy to provide that report to them in advance of the meeting.

FEMALE MEMBER OF AUDIENCE: Excuse me, this

1 housing policy affects every single person in Marina del 2 Rey. I think a mailing to every single person in Marina 3 del Rey is a minimum requirement. 4 [Applause] 5 MR. KREIMANN: Karen, Karen -- last question, 6 Karen. 7 MS. KAREN STONE: [Inaudible] 8 MR. KREIMANN: Can you come to the mike, 9 please? 10 MS. KAREN STONE: [Inaudible] 11 MR. KREIMANN: Hold on, come to the microphone. 12 MS. KAREN STONE: Instead of a meeting at five 13 o'clock when most people work, can we make it like 14 six-thirty when people can get home from work and they 15 know about it. Most people are still working at five 16 o'clock. 17 MR. KREIMANN: Well, I think the reason that we 18 have the meeting until eight o'clock is so that we could 19 include that particular population at this point. 20 MS. KAREN STONE: Yeah, but what I think what -21 - I think most people, if they don't come near the 22 beginning, they're not going to show up. At least if you 23 could make it six, six-thirty, maybe a little later? 24 MR. KREIMANN: Okay. We'll take that under 25 advisement.

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Dated this 18th day of September, 2006.

VILIA ROUBINEK